

Children's CLINIC



January 12, 2011

Honorable Terry Murphy
Chair, Senate Public Health, Welfare and Safety Committee
State Capitol
Helena, MT 59620

Dear Chair Murphy,

The Children's Clinic, PC is an independently owned and operated pediatric practice in Billings, Montana which has been providing care for children and adolescents since 1953. As a group of primary care physicians we strongly oppose SB 37 that would repeal the provisions of MCA 53-6-125 for the following reasons:

1. We believe that healthy children are the foundation for a healthy population. Failure to invest in our children today may have significant consequences for the Montana's future workforce.
2. Access to primary care for all children is paramount, but especially for those at greatest risk. The Medicaid program provides a vital safety net for children with special healthcare needs and for those from low-income families.
3. Over the past several years there has been diminished physician participation in the Medicaid program (MMA surveys of Montana physician practices completed in 1999, 2002, and 2006). If SB 37 repeals MCA 53-6-125, this trend will continue. If access to care is limited by poor reimbursement, then patients may seek more costly care in the emergency department.
4. We believe that the "medical home" of the primary care physician's office is the ideal place to care for children with chronic illnesses such as diabetes and asthma. A review of asthma care programs demonstrated that projects involving primary care physicians can "reduce the use of expensive health care services and, thereby, cut the cost of asthma care. These consequences of quality improvement would benefit not only consumers of health care, but also the two other groups that bear the cost—third-party payers (public and private) who incur the cost of asthma care and employers who incur the cost of health insurance and lost productivity for their workers with asthma." Ref 1
5. As an independent small business, our clinic relies on Medicaid reimbursement as a primary source of revenue. Based on 2010 data from our clinic, Medicaid patients comprised 30% of our insured patient census. Medicaid reimbursement comprised 20% of our total revenue. Without this source of revenue, the Children's Clinic would be forced to cut medical provider, staff, and important services. The reimbursement rate for Medicaid is well below the market standard at roughly 55 cents to 60 cents on the dollar.

In closing, the Children's Clinic does not support SB 37.

Sincerely,

Tanya Jagodzinski *Lionel E. Tapia* *Janis I. Langohr* *Marian E. Kummer*
David D. Standish *Gordon C. Collett*

The Doctors of the Children's Clinic

Reference: Agency for Healthcare Research and Quality. Asthma Care Quality Improvement: Resource Guide. <http://www.ahrq.gov/qual/asthmacare/asthmod1b.htm> accessed January 12, 2011.

Gordon C. Collett, M.D., FAAP
Marian E. Kummer, M.D., FAAP
Tanya Jagodzinski, M.D., FAAP
Janis I. Langohr, M.D., FAAP
Laura R. Nicholson, M.D., FAAP
David D. Standish, M.D., FAAP
Richard C. Stevens, M.D., FAAP
Lionel E. Tapia, M.D., FAAP

PUBLIC HEALTH, WELFARE & SAFETY

Exhibit No. 5

Date 1/17/2011

Bill No. SB 37